

STATES OF AMERICA



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Quick Facts on Teachers' Retirement

THE UNITED STATES



minimum

The Teachers' Retirement System

1500 6th Avenue

Helena, Montana 59601

- A. Withdrawal of Contributions
 - 1. Cease teaching in Montana
 - 2. Refund made after all payments received from employer.
 - 3. Interest not refundable since July, 1945.
 - 4. Account may be withdrawn regardless of years of service or years absent.
 - 5. Refund checks cannot be picked up at office.
- B. Minimum Retirement Age: 60
- C. Minimum years of service for retirement benefit:
 - 1. Five years after 9/1/1937 for which contributions have been made.
- D. Maximum years of service to be used in computing benefits.
 - 1. 35 years unless more service rendered before 60.
 - 2. Contributions not required by teacher after 35 years and age 60.
- E. Average Salary
 - 1. The average of the three highest consecutive years of full earnable compensation.
- F. Creditable Service
 - 1. Membership Service: Years on which contributions have been made.
 - 2. Prior Service: Free upon furnishing proof.
 - (1) Montana before 9/1/1937.
 - (2) Military during
 - a. Oct. '40 - June 1947
 - b. June '50 - Dec. 1953
 - c. Prior teaching not required.
 - 3. Out-of-State Service
 - (1) Furnish proof and pay 5% of first year's salary in Montana plus interest for each year (after 5 years in Montana)
 - (2) Maximum allowable is 5 years for teachers after July 1, 1967.
 - (3) Must have 5 years in Montana after out-state service.
- G. Redeposit of Funds
 - 1. Pay amount withdrawn plus interest a/c would have earned if not withdrawn.
 - 2. No interest due until June 30, 1972.
 - 3. Payment at your convenience; must be paid before retirement.
 - 4. Interest lost at withdrawal replaced on completion of redeposit.

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RETIREMENT BENEFIT

- A. Straight Life: $1/70$ (1.42657%) of average salary for each year of service.
- B. Options at Retirement
 1. Straight Life
 2. Refund Annuity
 3. Joint and Last Survivor
 4. Joint and $1/2$ to last Survivor
 5. Any other choice (actuarial equivalent of straight life).
- C. Minimum Retirement Benefit
 1. \$2,000 per year for 35 years service or pro-rated for lesser years.
- D. 13th Check
 1. Extra retirement check.
 - a. Beginning with the year after retirement, an extra check is paid each year representing the difference between the assumed rate of interest and the rate paid on active a/c's (interest is paid on amount remaining in teacher's annuity a/c).

DISABILITY BENEFITS

- A. Minimum years of service.
 - (1) Five years after 1937 on which contributions made.
- B. Payment: 25% of average salary or $1/70$ of average salary for each year of service.
- C. All options available
- D. Maximum age — 60
- D. Doctor's statement of disability.

SURVIVOR'S BENEFITS

- A. Refund of contributions plus accrued interest
- OR**
- B. Monthly benefit to survivor
 1. Must have a/c of 5 years.
 2. Benefit based on teacher's record at time of death and beneficiary's age.
 - C. Payment to minor children:
 1. \$50 a month to each child to age 18.
 - a. Paid with either A or B above if member has 5 or more years of service.

RETIREMENT BENEFITS

Examples

Age 60

Service 35 years

Average Salary \$9,000

Account Balance \$9,250

Pension: Paid from 5.125% District Contribution

Difference between annuity from teacher's account and guarantee.

Annuity: Paid from the 5% Contribution and Interest

Female: $.0679 \times \$9,250$ is \$628.81

Male: $.0778 \times \$9,250$ is \$719.72

Total Teacher's Retirement Benefit for above teacher.

Female:

Pension	\$3,871.19
Annuity	628.81
Annual	\$4,500.00
Monthly	\$ 375.00

Male:

Pension	\$3,780.28
Annuity	719.72
Annual	\$4,500.00
Monthly	\$ 375.00



Teach to Age 65 at \$9,000 with No Payments

Contributions accrue to — \$11,946.81

Female:

Pension	\$3,570.44
Annuity	929.56
Annual	\$4,500.00

Male:

Pension	\$3,415.19
Annuity	1,084.81
Annual	\$4,500.00



Options:

Teacher, Male, age 60
Wife age 58

#1 Straight Life	\$375.00
10-Year Certain and Life	\$349.13
15-Year Certain and Life	322.49
20-Year Certain and Life	293.03

DISABILITY BENEFITS

Age 52 28 years of service \$9,000 average
40% of \$9,000 or \$3,600 annual — \$300 per month
Age 28 5 years of service \$7,500 average
25% of \$7,500 or \$1,875 annual—\$156.25 per month
Straight-life example but all options available

SURVIVOR'S BENEFITS

Full refund of the teacher's contribution plus accrued interest.

OR

Monthly benefit based on teacher's record and age of beneficiary.

Examples:

Teacher, age 56; 33 years of service; average salary
\$9,000

Beneficiary, age 45

Teacher's benefit: \$353.57 a month

Beneficiary, age 45, receives \$276.87 a month

or

Teacher, age 31; 5 years service; average salary
\$7,500

Beneficiary, age 24

Teacher's benefit: \$44.64 a month

Beneficiary, age 24, receives \$42.69 a month

In addition to either of above choices (lump sum or monthly benefit), if teacher has 5 years of service, the System will pay each minor child \$50 per month until his/her 18th birthday.

REMEMBER

Tax sheltered annuities are available with the retirement system.